

CHAPTER 1
RULES APPLICABLE TO ALL CHAPTERS

264—1.1(80GA,HF692,HF683) Definitions. Unless otherwise stated, the following definitions shall apply:

“*Advisory board*” means the 7-member loan and credit guarantee advisory board established in 2003 Iowa Acts, House File 692, section 106.

“*Applicant*” means a business that submits an application for Iowa values fund financial assistance.

“*Board*” or “*Iowa values board*” means the grow Iowa values board established in 2003 Iowa Acts, House File 692, section 78, composed of 11 voting members and 4 ex officio members.

“*Business*” includes, but is not limited to, a sole proprietorship, partnership or corporation organized for profit or not-for-profit under the laws of the state of Iowa or another state, under federal statutes, or under the laws of another country.

“*Committee*” or “*due diligence committee*” means the 5-member due diligence committee established in 2003 Iowa Acts, House File 692, section 80.

“*Department*” means the Iowa department of economic development created in Iowa Code chapter 15.

“*Director*” means the director of the Iowa department of economic development.

“*Fund*” or “*values fund*” means the grow Iowa values fund created in 2003 Iowa Acts, House File 692, section 84.

“*Marketing board*” means the 7-member economic development marketing board created in 2003 Iowa Acts, House File 692, section 85.

“*Project*” means the activity or set of activities proposed by the applicant which will require state assistance to accomplish and will result in the achievement of the goals established in 2003 Iowa Acts, House File 692, section 83.

“*Recipient*” means a business that receives financial assistance from the fund.

“*Review commission*” means the 3-member Iowa values review commission established in 2003 Iowa Acts, House File 692, section 81.

264—1.2(80GA,HF692,HF683) Values fund.

1.2(1) Purpose. The statutory purpose of the grow Iowa values fund is to expand and stimulate the state economy, increase the wealth of Iowans, and increase the population of the state. The fund is structured to provide financial assistance for business start-ups, business expansions, business modernization, business attraction, and business retention. The fund may also be used for marketing and to procure technical assistance from either the public or private sector, for information technology purposes, and for rail, air, or river port transportation-related purposes. The use of moneys appropriated for rail, air, or river port transportation-related purposes must be directly related to an economic development project and the moneys must be used to leverage other financial assistance moneys.

1.2(2) Values fund and board authority. The values fund includes moneys appropriated to the fund by the general assembly, interest earned, repayments and recaptures of loans and grants. The fund is under the control of the board. The board shall approve or deny applications for financial assistance from moneys appropriated to the fund pursuant to 2003 Iowa Acts, House File 683, section 66.

1.2(3) Allocation of moneys in the fund. Moneys are appropriated to the fund to be used for the purposes stated in subrule 1.2(1), including funding for programs administered by the department. The board shall allocate a percentage of the moneys for business start-ups, business expansion, business modernization, business attraction, business retention, and marketing. Applications submitted by businesses seeking assistance through department programs that are funded with values fund moneys shall follow the department’s application procedures for those programs. Notwithstanding the foregoing, the board shall have final decision-making authority on these applications.

264—1.3(80GA,HF692,HF683) Planning principles. In reviewing applications for values fund assistance, the board, the committee and the department will encourage applicants to take the following planning principles into consideration:

1.3(1) Efficient and effective use of land resources and existing infrastructure by encouraging development in areas with existing infrastructure or capacity to avoid costly duplication of services and costly use of land.

1.3(2) Provision for a variety of transportation choices, including pedestrian traffic.

1.3(3) Maintenance of unique sense of place by respecting and enhancing local cultural, historical and natural environmental features.

1.3(4) Conservation of open space and farmland and preservation of critical environmental areas.

1.3(5) Promotion of the safety, livability, and revitalization of existing urban and rural communities.

264—1.4(80GA,HF692,HF683) Federal funds and the Section 106 process. All recipients receiving awards of federal moneys from the fund shall cooperate with the board, the department and the department of cultural affairs in ensuring compliance with the requirements of Section 106 of the National Historic Preservation Act (Section 106). The Section 106 process requires recipients of federal funds to take into account the effects of their undertakings on historic properties and afford the state historic preservation office (SHPO) a reasonable opportunity to comment on the undertakings. Compliance with the Section 106 process shall be a condition of disbursement of funds.

264—1.5(80GA,HF692,HF683) Contract administration.

1.5(1) Notice of award. Successful applicants will be notified in writing of the board's award of assistance, including any conditions or terms of the award.

1.5(2) Contract required. The department shall prepare an agreement, which includes, but is not limited to, a description of the project to be completed by the business, the high-wage, high-skill jobs to be created or retained, length of the project period, conditions to disbursement as approved by the board, and the repayment requirements of the business in the event the business does not fulfill its obligations. Successful applicants will be required to execute an agreement within 60 days of the award. Failure to do so may result in the board's rescinding the award. The 60-day limit may be extended by the board for good cause shown.

1.5(3) Amendments. Any substantive change to a funded project will require a contract amendment approved by the board. Substantive changes include, but are not limited to, contract time extensions, budget revisions, and significant alterations of existing activities or beneficiaries. No amendment will be valid until approved by the board.

264—1.6(80GA,HF692,HF683) Rules expiration date. This chapter shall expire on October 28, 2003.

These rules are intended to implement 2003 Iowa Acts, House Files 692 and 683.

[Filed emergency 7/30/03—published 8/20/03, effective 7/30/03]